



ORIX Financial Services, Inc.

Equipment Finance Group
846 E. Algonquin Road, Suite 101
Schaumburg, IL 60173-3845
TEL 847-397-7585 FAX 847-397-7599

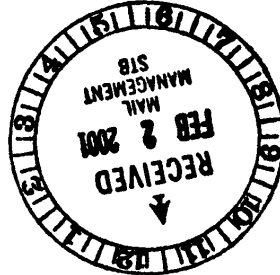
RECORDATION NO. 23378 FILED

FEB 8 '01 2-30 PM
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SURFACE TRANSPORTATION BOARD

January 31, 2001

The Honorable Vernon A. Williams
Secretary, Surface Transportation Board
1925 K Street, N.W., Suite 700
Washington, D.C. 20423-0001



OVERNIGHT DELIVERY
VIA FEDERAL EXPRESS

Dear Secretary Williams:

I have enclosed an original and one copy of the document described below, to be recorded pursuant to Section 11301 of Title 49 of the U.S. Code.

This document is a mortgage, a primary document, dated January 24, 2001.

The names and addresses of the parties to the document are as follows:

The Mortgagor is Locomotive Leasing Service, LTD., 2300 Highway 365, Nederland, Texas 77627.

The Mortgagee is Orix Financial Services, Inc. f/k/a Orix Credit Alliance, Inc., 846 East Algonquin Road, Suite 101, Schaumburg, Illinois 60173.

A description of the Equipment covered by the document follows:

Sixty (60) Rapid Discharge 5 pocket Air Dumper Hopper Rail Cars, car numbers:
IC370002, IC370004, IC370006, IC370007, IC370008, IC370009, IC370010, IC370011,
IC370013, IC370014, IC370015, IC370019, IC370021, IC370022, IC370025, IC370026,
IC370030, IC370032, IC370038, IC370041, IC370044, IC370050, IC370060, IC370128,
IC370137, IC370145, IC370150, IC370161, IC370163, IC370178, IC370183, IC370234,
IC370238, IC370244, IC370261, IC370270, IC370271, IC370274, IC370276, IC370284,
IC370287, IC370293, IC370294, IC370302, IC370303, IC370306, IC370307, IC370308,
IC370309, IC370310, IC370311, IC370312, IC370315, IC370317, IC370319, IC370321,
IC370322, IC370323, IC370325, and IC370327, including all attachments and
accessories thereto.

A fee of \$26.00 is enclosed. Please return the original and any extra copies not needed by the Board for recordation to Anthony Raluy, Orix Credit Alliance, Inc., 846 East Algonquin Road, Suite 101, Schaumburg, Illinois 60173.

A short summary of the document to appear in the index follows: A mortgage between Locomotive Leasing, LTD., 2300 Highway 365, Nederland, Texas 77627, Mortgagor, and Orix Financial Services, f/k/a Orix Credit Alliance, Inc., 846 East Algonquin Road, Suite 101, Schaumburg, Illinois 60173, Mortgagee, dated January 24, 2001, and covering Sixty (60) Rapid Discharge 5 pocket Air Dumper Hopper Rail Cars, car numbers: IC370002, IC370004, IC370006, IC370007, IC370008,

Letter to Surface Transportation Board

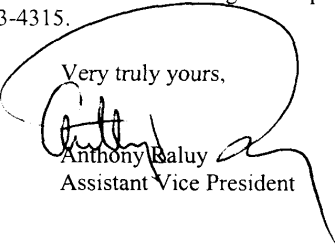
January 31, 2001

Page 2

IC370009, IC370010, IC370011, IC370013, IC370014, IC370015, IC370019, IC370021, IC370022, IC370025, IC370026, IC370030, IC370032, IC370038, IC370041, IC370044, IC370050, IC370060, IC370128, IC370137, IC370145, IC370150, IC370161, IC370163, IC370178, IC370183, IC370234, IC370238, IC370244, IC370261, IC370270, IC370271, IC370274, IC370276, IC370284, IC370287, IC370293, IC370294, IC370302, IC370303, IC370306, IC370307, IC370308, IC370309, IC370310, IC370311, IC370312, IC370315, IC370317, IC370319, IC370321, IC370322, IC370323, IC370325, and IC370327.

If you have any questions or comments concerning this request, please do not hesitate to contact me as soon as possible at (847) 303-4315.

Very truly yours,


Anthony Baluy
Assistant Vice President



ORIX

ORIX Financial Services, Inc.

1000 K Street, N.W.

Washington, D.C. 20004

RECORDATION NO. 23378 FILED

FEB 8 '01 2-30 PM

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SURFACE TRANSPORTATION BOARD



OVERNIGHT DELIVERY
VIA FEDERAL EXPRESS

February 7, 2001

Toleda Stokes
Surface Transportation Board
1925 K Street Northwest, Suite 700
Washington, D.C. 20423-0001

Re: Security Agreement – Mortgage on Goods and Chattels dated January 24, 2001 between
Locomotive Leasing Service and Orix Financial Services, Inc.

Dear Ms. Stokes:

Pursuant to your voice message please find enclosed a filing fee in the amount of \$27.00. Please
file the above reference mortgage against Locomotive Leasing Service.

I you have any questions or comments concerning this request, please do not hesitate to contact
me as soon as possible at (847) 303-4315. Thank you for your assistance with this matter.

Very truly yours,

Anthony Raluy
Anthony Raluy S/B A Dooley
Assistant Vice President

Enclosure

AGR/sed

RECORDATION NO. 23378

FEB 8 '01

FIVE

2-30 PM

NEDERLAND TEXAS

(Name of Mortgagor)

2300 HIGHWAY 365

NEDERLAND TEXAS

77627-0000 S

~~SURFACE TRANSPORTATION BOARD~~

(Address of Mortgagee)

ORIX FINANCIAL SERVICES INC. F/K/A ORIX CREDIT ALLIANCE INC.

ORIX CREDIT ALLIANCE,
HAUMBURG ILLINOIS

60173

"Mortgage"

[If Mortgagor named above is not ORIX Credit Alliance, Inc., Mortgagor acknowledges notice of the intended assignment hereof to ORIX Credit Alliance, Inc. (said assignee hereinafter called "Mortgagee") and upon such assignment, Mortgagor agrees not to assert against Mortgagee any defense, set-off, recoupment, claim or counterclaim which Mortgagor may have against the Mortgagee named above and any assignee hereof prior to Mortgagee, whether arising hereunder or otherwise.]

WITNESSETH:

** 2/4157

1. To secure the prompt payment, with interest, thereon, performance and fulfillment of any and all Mortgage Obligations (as hereinafter defined) of Mortgagor to Mortgagee, which is hereby confessed and acknowledged, Mortgagor hereby grants, assigns, transfers, bargains, conveys, confirms, pledges, mortgages and grants to Mortgagee a security interest in all singular, the goods, chattels and property described in the annexed Schedule A ~~AND WHATEVER BY ANY MANNER OF TRANSFER OR ASSIGNMENT MAY BECOME OWNED BY~~ ~~MORTGAGOR OR ANY PERSON CLAIMING THROUGH HIM OR HER~~ ~~WHICH MAY IN ANY MANNER BECOME OWNED BY MORTGAGOR OR ANY PERSON CLAIMING THROUGH HIM OR HER~~, whether now owned or hereafter acquired by Mortgagor or any person claiming through him or her, together with all accretions, attachments, replacements, substitutions and accessories thereto now or hereafter belonging to Mortgagor, wherever located, and all proceeds, and any distribution thereof and any insurance thereon, products and rents therefrom collectively called "Collateral", to have and to hold the same unto Mortgagee forever; provided, however, that if Mortgagor shall fully, timely and faithfully pay, perform and fulfill the Mortgage Obligations, time being of the essence hereof, then this Mortgage shall be void, but otherwise shall remain in full force and effect. Mortgagor grants Mortgagee a security interest in the Collateral to secure the Mortgage Obligations.

2. The term "Mortgage Obligations" as used herein shall mean and include any and all loans, advances, payments, extensions of credit, endorsements, guaranties, benefits and financial accommodations heretofore and/or hereafter made, granted or extended by Mortgagee or which Mortgagee or it may become obligated to make, grant or extend to or for the account of Mortgagor, and any and all interest, commissions, obligations, liabilities, indebtedness, charges and expenses heretofore and/or hereafter chargeable against Mortgagor or payable by Mortgagee to or for Mortgagor, whether or not such obligations, liabilities, indebtedness, charges and expenses are payable by or for Mortgagor, in whole or in part, in any of the foregoing, no matter how or when arising and whether under any present or future agreement or instrument between Mortgagor and Mortgagee or otherwise, including, without limitation, any and all obligations and/or indebtedness of any and every kind arising out of one or more conditional sale contracts, equipment lease agreements, notes, security agreements, trust receipts and/or bailment agreements and the amount due upon any notes or other obligations, given to or received by Mortgagee directly from Mortgagor or by way of any third party, and any and all obligations, liabilities, indebtedness, charges and expenses payable by or for Mortgagor, in whole or in part, for any of the foregoing, and the performance and fulfillment by Mortgagee of all of the terms, conditions, promises, covenants, provisions and warranties contained in this Mortgage and in any note or notes secured hereby and in any present or future agreement or instrument between Mortgagor and Mortgagee.

3. Mortgage covenants and warrants to Mortgagee and agrees that the Collateral described in the annexed Schedule A, is in the possession of Mortgagee at its principal place of business (which is Mortgagee's address shown above), unless a different location is specifically shown on Schedule A for any one or more items, that all of the Mortgagee's obligations to the Holder shall be secured by the Collateral described in the annexed Schedule A, and that the Holder shall be entitled to receive the principal and interest thereon from and after maturity of any unpaid installment of the Mortgage Obligations, whether by acceleration or otherwise, at the rate of $0\% \times 1\%$ per year (the "Past Due Rate") until the Mortgage Obligations are collected by the Mortgagee in full, provided, however, that in no event shall the performance of the Past Due Rate under any Mortgage Obligation or hereunder exceed any maximum permitted by law. If, or if any portion of the Mortgage Obligations be referred to an attorney for collection, there shall also be due to the Holder, in addition to the Past Due Rate, the reasonable attorney's fees and costs of collection, and the reasonable expenses of the Holder in connection with the collection, which may be imposed under any Mortgage Obligation exceeds the maximum amount which may be imposed under applicable law, the amount of such interest, rate, late fee, or other charge in excess of the maximum shall be void and any such excess collected by Holder shall be applied to the reduction of such Mortgage Obligation or, to the extent permitted by applicable law, to the payment of the interest owing to Holder as Holder may determine, and any remaining excess shall be returned to Mortgagee. Mortgagee further covenants and agrees with and warrants to Mortgagee that:

Under covenants and agrees with and warrants of Mortgagee that: (a) Mortgagee is the owner of the Collateral and represents and warrants to Mortgagee that Mortgagee has paid all applicable sales, use or other taxes due in connection with the purchase, ownership, possession or use of the Collateral and shall indemnify Mortgagee from and against any loss, cost or expense, including penalties, interest and other charges of any kind in connection with or arising from the sale, purchase, ownership, possession or use of the Collateral, and has the sole right and lawful authority to make this Mortgage; the Collateral and every part thereof is free and clear of all liens and encumbrances of every kind, nature and description (except any held by Mortgagee); and Mortgagee will warrant and defend the Collateral against all claims and demands of all persons and will not permit any circumstances to exist under which the Mortgagee may lose its lien on the Collateral.

(b) Mortgagor shall keep the Collateral free, clear of all attachments, levies, taxes, liens and encumbrances of every kind; Mortgagor, at its own cost and expense, will maintain and keep the Collateral in good repair, will not waste nor abuse nor destroy nor same or any part thereof and will not be negligent in its care and use thereof; and Mortgagor will not sell, assign, mortgage, lease, pledge or otherwise dispose of the Collateral without the prior written consent of Mortgagee. Mortgagee is hereby authorized to file one or more financing statements in the public records for the reduction thereof as a financing statement. Mortgagor hereby irrevocably appoints Mortgagee as the true and lawful Attorney-in-Fact of Mortgagor, coupled with an interest, with full power in Mortgagor's name, place and stead to execute financing statements on Mortgagor's behalf and to do any and all other acts on Mortgagor's behalf necessary or helpful to perfect Mortgagee's security interest in the Collateral pursuant to the Uniform Commercial Code or other applicable law.

(c) Mortgagee will insure the Collateral in the name of the Mortgagee against loss or damage by fire and extended coverage perils, theft, burglary, pilferage, collision and also, where requested by Mortgagee, against other hazards, with companies, in amounts and under policies (each containing a standard breach of warranty clause) acceptable to Mortgagee, the proceeds to be payable to Mortgagee, and all premiums thereon shall be paid by Mortgagee and the policies assigned and endorsed to Mortgagee. Mortgagee shall have the right to cancel any policy for nonpayment of premium. Mortgagee shall be entitled to recover from the Mortgagee together with its or their costs, reasonable attorney's fees and reasonable charges or fees associated with its insurance. Mortgagee hereby irrevocably appoints Mortgagee as Mortgagee's Attorney-in-Fact to make claim for, receive payment of and execute and endorse all documents, checks or drafts received in payment for any loss or damage under any of said insurance policies and to execute any documents or statements referred to herein.

(d) Mortgagor will not remove the Collateral from within the 48 contiguous States of the United States or its present locations without the prior written consent of Mortgagee nor change its present business locations without at least thirty days prior written notice to Mortgagee and at all times will allow Mortgagee or its representatives free access to and right of inspection of the Collateral, which shall remain personalty and not become a part of any realty, and nothing shall prevent Mortgagee from removing same or so much thereof as Mortgagee, in its sole discretion may determine, from any premises to which it may be attached and/or upon which it may be located upon breach of this Mortgage; Mortgagee agreeing to deliver to Mortgagee appropriate waivers, satisfactory to Mortgagee, of owners and of mortgagees of any such premises.

premises hereon covered by this Mortgage shall be necessary to protect the Collateral and the lien of this Mortgage thereon) with all of the terms and conditions of leases covering the premises hereon the Collateral may be located and with any orders, ordinances, laws or statutes of any city, state or other entity having jurisdiction over the premises or the conduct of business thereon, and, where requested by Mortgagee, will correct any defects or execute any written instruments and do any other acts necessary to more fully effectuate the purposes and provisions of this instrument.

(c) Mortgagor will indemnify and save Mortgagee harmless from all losses, costs, damages, liabilities or expenses, including reasonable attorneys' fees, that Mortgagee may sustain or incur to obtain or enforce payment, performance or fulfillment of any of the Mortgage Obligations or in the enforcement or foreclosure of this Mortgage or in the prosecution or defense of any action or proceeding either against Mortgagor or against Mortgagee concerning any matter growing out of or connected with this Mortgage and/or any of the Mortgage Obligations and/or any of the Collateral.

(g) If Mortgagor is a corporation, the execution of this Mortgage has been duly consented to and authorized by all of the stockholders of Mortgagor and duly authorized by its Board of Directors. Mortgagor agrees to deliver to Mortgagee evidence thereof satisfactory to Mortgagee immediately upon request.

lending to Mortgagor, Mortgagee agrees to advance such satisfactory form, preparation and content, upon request, to the satisfaction of Mortgagee, in the form of a promissory note, to be executed by Mortgagor. Mortgagee, at its option, without waiving its right to enforce this Mortgage according to its terms, immediately or at any time thereafter, and without notice to or demand upon Mortgagor, perform or cause the performance of such, for the account and at the sole cost and expense of Mortgagor, which (including reasonable attorney's fees) shall be a lien on the Collateral, added to the lien of this Mortgage, and shall be enforceable by Mortgagee, in its sole discretion, by the same or any other means, including but not limited to, the exercise of its rights, together with all rights and remedies available to it, in connection with, along with any and all Mortgage Obligations, without notice to Mortgagor, and upon such assignment Mortgagee agrees not to assert against any assignee hereof, any defense, set-off, recoupment, claim, counterclaim or cross-claim which Mortgagee may have against Mortgagor, whether arising hereunder or otherwise, and such assigns shall be entitled to the benefit of the same. **BOTH OF NEW YORK, OR EITHER OF THEM AS THEIR TRUE AND LAWFUL ATTORNEY-IN-FACT AND AGENT FOR THEM AND IN THEIR NAME, PLACE AND STAND TO ACCEPT SERVICE OF ANY PROCESS WITHIN THE STATE OF NEW YORK, THE PARTY CAUSING SUCH PROCESS TO BE SERVED AGREEING TO WAIVE ANY OBJECTION TO SUCH SERVICE HAVING BEEN EFFECTED. MORTGAGOR AND MORTGAGEE HEREOF AGREE TO THE EXCLUSIVE VENUE AND JURISDICTION OF ANY COURT IN THE STATE AND COUNTY OF NEW YORK FOR ALL ACTIONS, PROCEEDINGS, CLAIMS, COUNTERCLAIMS OR CROSSCLAIMS ARISING OUT OF OR IN CONNECTION WITH THIS MORTGAGE, AND TO WAIVE ANY OBJECTION TO SUCH VENUE AND JURISDICTION, AND TO WAIVE ANY RIGHT TO REMOVAL OF ANY COURT, OR AT LAW OR IN EQUITY OR PURSUANT TO STATUTE, WITH THE SOLE EXCEPTION THAT AN ACTION TO OBTAIN, REMOVE POSSESSION OF ALL OR PART OF THE COLLATERAL AND EQUITABLE PROCEEDINGS TO ENFORCE THE TERMS OF THIS MORTGAGE MAY, IN THE SOLE DISCRETION OF MORTGAGEE, BE BROUGHT IN ANY COURT OF COMPETENT JURISDICTION, INCLUDING BUT NOT LIMITED TO, THE COURTS OF THE STATE OF NEW YORK. ANY SUCH ACTION MAY BE, AND THAT JUDGMENTS MAY BE CONFESSED, ENTERED, OR ENFORCED IN ANY JURISDICTION WHERE THE MORTGAGOR OR THE COLLATERAL, AND/OR ANY OTHER ASSETS OF THE MORTGAGOR MAY BE LOCATED. MORTGAGOR AND MORTGAGEE EACH WAIVE ANY RIGHT TO A TRIAL BY JURY IN ANY SUCH ACTION. MORTGAGOR AND MORTGAGEE HEREOF AGREE TO WAIVE ANY RIGHT TO A TRIAL BY JURY IN ANY SUCH ACTION. AS REQUESTED BY MORTGAGOR, MORTGAGEE WILL FURNISH certain financial statements satisfactory to Mortgagee in form, preparation and content.**

[illegible]

possession of any or all of the Collateral. In any action in the nature of replevin or sequestration, Mortgagor agrees that if it contests such action it will post a bond written by a national insurance company authorized to execute such bonds in the jurisdiction of such proceedings, such bond to be no less than the value of the subject matter of such replevin or sequestration balance then owing to Mortgagee, whichever be less. Mortgagor hereby irrevocably authorizes any attorney of any court of record to appear for and contest one or more judgments against Mortgagor (except in any jurisdiction where such action is not permitted by law) for all amounts owing under the Mortgage Obligations, any other monies due hereunder, plus reasonable attorneys' fees and any deficiency, without stay of execution, and waive the issue of process, all right of appeal and relief from any and all appraisal, stay or exemption laws then in force. Any notices relating hereto shall be in writing and effective when delivered in person to an officer of the party to whom addressed or mailed by certified mail to such party at its address specified herein or at such other address as may hereafter be specified by like notice by either party to the other. Reasonable notification hereunder shall be any notification given or sent at least five (5) days prior to the event for which such notification is sent. **TO THE MAXIMUM EXTENT PERMITTED BY LAW, MORTGAGOR AND MORTGAGEE EACH HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES (A) ANY AND ALL RIGHT TO A TRIAL BY JURY OF ANY AND ALL CLAIMS, DEFENSES, COUNTERCLAIMS, CROSSCLAIMS AND SET-OFF OR RECOURSE CLAIMS ARISING EITHER DIRECTLY OR INDIRECTLY OUT OF, UNDER, IN CONNECTION WITH, OR IN ANY WAY RELATED TO THE MORTGAGE OBLIGATIONS AND WHETHER BASED IN CONTRACT OR IN TORT OR PURSUANT TO STATUTE AND (B) ANY AND ALL RIGHT TO CLAIM OR RECOVER ANY PUNITIVE OR CONSEQUENTIAL DAMAGES OR ANY DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES.**

6. Mortgagee may at any time, with or without exercising any of the rights or remedies aforesaid and without prior notice or demand to Mortgagor, appropriate and apply toward the payment of the Mortgage Obligations any and all balances, sums, property, credits, deposits, accounts, reserves, collections, drafts, notes or checks coming into Mortgagee's possession and belonging or owing to Mortgagor, and for such purposes, endorse the name of Mortgagor on any such instrument made payable to Mortgagee for deposit, negotiation, discount or collection. Such applications may be made, or any monies paid to Mortgagee may be applied, without notice to Mortgagor, partly or entirely to such of the Mortgage Obligations as Mortgagee in its sole discretion may elect. In its sole discretion Mortgagee may apply and/or change applications of any sums paid and/or to be paid by or for Mortgagor, under any circumstances, to any obligations of Mortgagor to Mortgagee, presently existing or otherwise. The interest rates which may be provided for in any instrument evidencing one or more Mortgage Obligations shall in no event, circumstance or contingency, exceed any maximum permitted by applicable law.

7. If, after default by Mortgagor under the Mortgage Obligations, Mortgagee fails to demand full payment, performance or fulfillment or otherwise proceed, such failure shall not be deemed a waiver of the right of Mortgagee subsequently to make demand for immediate payment, performance and fulfillment of the Mortgage Obligations, or to take immediate possession of the Collateral, or to foreclose this Mortgage at any time or to proceed otherwise; and the acceptance by Mortgagee of any payment subsequent to such default shall not be deemed a waiver of any of Mortgagee's rights. No delay or failure on the part of Mortgagee in exercising any rights, privilege, remedy or option hereunder shall operate as a waiver of such or of any other right, privilege, remedy or option, and no waiver whatever shall be valid unless in writing, signed by an officer of Mortgagee and then only to the extent therein set forth. This Mortgage cannot be changed or terminated orally. The books and records of Mortgagee containing entries with respect to the Mortgage Obligations shall be admissible in evidence in any action or proceeding, shall be binding upon the Mortgagor for the purpose of establishing the terms therein set forth and shall constitute prima facie proof thereof. Mortgagee shall have the right to enforce any one or more remedies available to it successively, alternately or concurrently. Only a writing, signed by an officer of Mortgagee, shall be effective, but only to the extent therein specifically set forth, to change, modify or terminate any Mortgage Obligation, this Mortgage or any other agreement between Mortgagor and Mortgagee.

8. All of the rights, remedies, options, privileges and elections given to the original Mortgagee hereunder shall inure to the benefit of Mortgagee, any transferee or holder of this Mortgage, and their respective successors and assigns; and all the terms, conditions, promises, covenants, provisions and warranties of this Mortgage shall inure to the benefit of and shall bind the representatives, successors and assigns of the respective parties. Any and all security interests granted to Mortgagee shall attach to any and all proceeds and products. Each person signing this Mortgage warrants full authority to sign for the party named and said person, individually, together with the party named, shall be jointly and severally liable for the unpaid balance of the Mortgage Obligations in the event of the breach of the above provisions and/or in the event Mortgagee fails to pay its obligations in full to Mortgagee immediately upon the sale, transfer, assignment or conversion of any of the Collateral and agrees that upon the request of Mortgagee, after any default, to segregate and hold all or any part of the Collateral in a fiduciary capacity and to adequately maintain, service and insure said property and to protect same from use and/or abuse, all without charge to Mortgagee, such fiduciary duty to terminate only upon the actual delivery of the Collateral to Mortgagee. Mortgagor, recognizing that in the event of default no remedy at law would provide adequate relief to Mortgagee, agrees that Mortgagee shall be entitled to temporary and permanent injunctive relief without the necessity of proving actual damages.

9. Some of the Collateral may be in the hands of Mortgagor under one or more security agreements which are or may be held by Mortgagee and with respect to such Collateral, this Mortgage is only of any equity that Mortgagor may now or in the future have in such Collateral and Mortgagee by accepting this Mortgage shall not in any manner be considered as having waived any security interest arising independently of this Mortgage nor shall this Mortgage be construed as adversely affecting any rights of Mortgagee under any other security agreement nor as a waiver of any of the terms and provisions of any other security agreement, guaranty or endorsement, all of which shall remain and continue in full force and effect.

10. Intending that each and every provision of this Mortgage be fully effective and enforceable according to its terms, the parties agree that the validity, enforceability and effectiveness of each provision hereof and the obligations, rights and remedies of the Mortgagor and Mortgagee in any way related to or arising under this Mortgage or under one or more Mortgage obligation shall be governed by and construed in accordance with the laws of the State of New York (excluding its choice of law rules), if any one or more provisions hereof are in conflict with any statute or law and thus not valid or enforceable, then each such provision shall be deemed null and void but only to the extent of such conflict and without invalidating or affecting the remaining provisions hereof. This contract shall be binding upon the heirs, administrators, legal representatives and successors of the Mortgagor.

11. **MORTGAGOR DOES HEREBY WAIVE, FOREGO AND AGREE NOT TO ASSERT ANY AND ALL RIGHTS, CLAIMS AND DEFENSES, IF ANY, UNDER THE FEDERAL FAIR CREDIT REPORTING ACT AND/OR UNDER ANY COMPARABLE STATE LAWS THAT MAY INURE TO THE BENEFIT OF MORTGAGOR IN CONNECTION WITH THIS MORTGAGE. MORTGAGOR HEREBY RATIFIES AND APPROVES THE OBTAINING BY MORTGAGEE OF ANY CREDIT REPORT RELATING TO MORTGAGOR AND HEREBY AGREES THAT MORTGAGEE MAY HEREAFTER OBTAIN SUCH CREDIT REPORTS AS MORTGAGEE IN ITS SOLE DISCRETION MAY DETERMINE.**

IN WITNESS WHEREOF, Mortgagor has caused these presents to be duly executed, the day and year first above written.

ATTEST/WITNESS: (Mortgagor) *William F. Scott* (Seal)
(Secretary/Witness) (Title)

STATE OF TEXAS } S.S.
COUNTY OF HARRIS
WILLIAM F. SCOTT being duly sworn, deposes and says:

1. He is the CHAIRMAN of LOCOMOTIVE LEASING SERVICE LTD.
(hereinafter called "Mortgagor") described in and which executed the foregoing Mortgage.

2. Mortgagor is the sole owner and in possession of the goods, chattels and property mentioned and described in the foregoing Mortgage. Said goods, chattels and property are free of all liens and encumbrances of any kind, nature and description (except for any held by the Mortgagee referred to below), and Mortgagor has the sole right and lawful authority to execute the same.

3. Mortgagor is solvent and justly indebted to the mortgagee named in the foregoing Mortgage (hereinafter called "Mortgagee") in the amount of the aggregate sum of the Mortgage Obligations outstanding on the date hereof, and there are no claims, offsets or defenses against same.

4. There are no judgments against Mortgagor, and no attachment or execution is now outstanding against any of Mortgagor's property, no receiver of Mortgagor has ever been appointed or applied for. There are no proceedings in bankruptcy pending affecting Mortgagor, nor have there ever been any such proceedings affecting Mortgagor, and no assignment for the benefit of creditors has been made by Mortgagor.

5. Deponent makes this affidavit realizing that Mortgagee is being induced thereby to extend credit to and accept Mortgagee's credit risk in reliance upon the truth of the statements contained herein.

Sworn to before me this 26 day of JANUARY, 2001 at HOUSTON, Texas.
William F. Scott (Signature)
MY COMMISSION EXPIRES MAY 12, 2003 (Notarial Seal)

State of TEXAS, County of HARRIS, SS:
I, SORIN CARAMAN, a Notary Public duly qualified in and for said County and state, do hereby certify that on this 26 day of JANUARY, 2001 in (Place) HOUSTON in said County, before me personally appeared WILLIAM F. SCOTT to me personally well known

to be the identical person who signed the within and foregoing instrument of writing in his own proper handwriting and well known to me to be and who acknowledged himself to be the CHAIRMAN of LOCOMOTIVE LEASING SERVICE who, being by me first sworn, did say that he is such officer of the aforesaid corporation, named in the within, foregoing and annexed instrument of writing; and being authorized so to do, executed said foregoing instruments; that he was duly authorized to execute said instrument for and in the name of said corporation and make this acknowledgment; that he knows the contents of said instrument; that he resides at

that he knows the seal of said corporation; that the seal affixed to said instrument is the corporate seal of said corporation; that the said instrument was signed, sealed and delivered on behalf of said corporation by authority of its Board of Directors, and said affiant acknowledged that he executed said instrument as his free, true and lawful act and deed and the free, true, lawful and corporate act and deed of said corporation, in pursuance of said authority by him in his said capacity and by said corporation voluntarily executed for the uses, purposes and consideration therein mentioned and contained, by signing the name of the corporation by himself as such officer.

Given under and witness my hand and official seal the day and year in this certificate first above written.

(Notary Seal) SORIN CARAMAN
MY COMMISSION EXPIRES MAY 12, 2003
Sorin Caraman
NOTARY PUBLIC

SCHEDULE "A"

This Schedule is attached to and becomes part of Conditional Sale Contract, Security Agreement- Mortgage on Goods and Chattels, or Lease dated January 24, 2001 between the undersigned.

<u>Quantity</u>	<u>Description of Property</u>
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Sixty (60) Rapid Discharge 5 pocket Air Dumper Hopper Rail Cars measuring 57 feet 6 inches (over couplers), Width: 10 feet 8 inches, Height: 12 feet 9 inches, car numbers:

IC370002, IC370004, IC370006, IC370007, IC370008, IC370009, IC370010, IC370011, IC370013, IC370014, IC370015, IC370019, IC370021, IC370022, IC370025, IC370026, IC370030, IC370032, IC370038, IC370041, IC370044, IC370050, IC370060, IC370128, IC370137, IC370145, IC370150, IC370161, IC370163, IC370178, IC370183, IC370234, IC370238, IC370244, IC370261, IC370270, IC370271, IC370274, IC370276, IC370284, IC370287, IC370293, IC370294, IC370302, IC370303, IC370306, IC370307, IC370308, IC370309, IC370310, IC370311, IC370312, IC370315, IC370317, IC370319, IC370321, IC370322, IC370323, IC370325, and IC370327

Including All Attachments and Accessories

All of the terms and provisions of the aforesaid Security Agreement- Mortgage on Goods and Chattels are ratified, affirmed and incorporated herein by this reference.

This schedule is hereby verified correct and undersigned Buyer(s), Mortgagor(s), or Lessee(s) acknowledges receipt of a copy this 24 day of January, 2001.

Seller, Mortgagee, or Lessor:

Orix Financial Services, Inc. f/k/a ORIX Credit Alliance, Inc.

By: 

Its: _____

Purchaser, Mortgagor or Lessee:

Locomotive Leasing Service, Ltd.

By: 

Its: CEO

